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Main Document

SO ORDERED. SIGNED this 19th day of April, 2017

THIS ORDER HAS BEEN ENTERED ON THE DOCKET. PLEASE SEE DOCKET FOR ENTRY DATE.

UNITED STATES BANKRUPTCY JUDGE

IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF TENNESSEE NORTHERN DIVISION AT KNOXVILLE

IN RE:

JANICE L. DAVIS

Case No. 3:16-bk-33409-SHB Chapter 7

Debtor.

METAL CRAFT FABRICATION AND SALES, LLC

Plaintiff,

VS.

Adv. No. 3:17-ap-03004-SHB

JANICE L. DAVIS

Defendant.

AGREED JUDGMENT DETERMINING DISCHARGEABILITY OF DEBT

Come now Metal Craft Fabrication and Sales, LLC, and Defendant Janice L. Davis, by and through counsel, and announce that they have reached an agreement on all issues brought in this adversary matter. The Parties acknowledge that Janice L. Davis, Defendant did embezzle or otherwise steal money from the Plaintiff prior to the filing of the Defendant's bankruptcy petition. As a result, the Defendant pled guilty to Theft of Property in violation of Tennessee Code Ann. § 39-14-103 on or about October 28, 2016. The amount in controversy is at least \$120,000.00. The Parties also agree that the Plaintiff did not receive adequate notice of the commencement of the bankruptcy proceedings as required under 11 U.S.C. § 342. For the foregoing reasons, the parties are in agreement that any debt owed to Plaintiff resulting from the theft referenced above is non-dischargeable pursuant to 11 U.S.C. § 523(a)(2), (a)(4), and 11 U.S.C. § 523(a)(2). The Parties further agree that the Plaintiff may file a claim against Defendant in the underlying bankruptcy action.

It is accordingly **ORDERED** as follows:

- 1. Metal Craft Fabrication and Sales, LLC did not receive proper notice of the underlying bankruptcy action as required under 11 U.S.C. 342.
- 2. The debt owed to Metal Craft Fabrication and Sales, LLC was the result of embezzlement or theft, and is non-dischargeable pursuant to 11 U.S.C.§ 523(a)(2), (a)(4), and 11 U.S.C.§ 523(a)(2).
- 3. Metal Craft Fabrication and Sales, LLC may file an appropriate claim against Janice L. Davis for the amounts owed from the embezzlement or theft.
- 4. The non-dischargeable judgment on behalf of Metal Craft Fabrication and Sales, LLC against Janice L. Davis is for the sum of \$120,000.00. This includes the sum of \$70,000.00 sought by the estate trustee as preferential transfer. If the claim of the trustee is disallowed in whole or part, this judgment shall be reduced by such amount.

APPROVED:

/s/ Ryan E. Jarrard

Ryan E. Jarrard, Esquire BPR No. 024525 Attorney for Plaintiff

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/s/ Gina Jenkins

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